

LEWIS COUNTY, WASHINGTON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2014

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NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the county's financial statements. The county uses accrual basis of accounting for all funds except governmental funds, which use the modified accrual basis of accounting.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only federal grant portions of the program costs. Entire program costs, including the county's portion, may be more than shown.

NOTE 3 - FEDERAL LOANS

The county was approved by the Environmental Protection Agency and the Washington State Department of Commerce's Public Works Board to receive a loan totaling \$721,822 to improve its drinking water system. In 2012, Amendment A removed the loan fee and reduced the loan amount to \$714,675. The amount listed for this loan includes the proceeds used during the year.

NOTE 4 - NOT AVAILABLE (N/A)

The county was unable to obtain another identification number.

NOTE 5 - NONCASH AWARDS

- (a) The amount of Senior Farmers Market Nutrition Program checks reported on the schedule is the value received and distributed by the county during the year and priced as prescribed by the Lewis-Thurston-Mason Area Agency on Aging. This program is funded through both federal and state funding. Due to the comingled nature of the funding, the portion, if any, of the checks funded by state funds could not be determined. As a result, the full amount of the checks have been reported as federal.
- (b) The amount of vaccine reported on the schedule is the value of vaccine received and distributed by the county during the year and priced as prescribed by the Washington Department of Health.

NOTE 6 - SUPPLEMENTAL GRANT AWARDS

The amount of expenditures listed for CFDA 20.205 under contracts LA-5452, LA-7813, LA-8111, LA-8112, and LA-8113 includes costs that were originally incurred in prior years but were not previously reimbursable since the costs for the projects exceeded the amounts allowed on the grant awards. Subsequent funding was awarded to allow reimbursement of additional project costs, including prior year expenditures incurred after the original funding was exhausted.

- (a) Contract LA-5452 includes \$42,278 for excess preliminary engineering costs originally incurred in 2008 & 2009. During the Washington State Department of Transportation final grant review performed in April 2015, unused grant funding was moved to allow \$42,278 of additional costs to be grant reimbursable.
- (b) Contract LA-7813 includes \$2,676 originally incurred in 2013. During the Washington State Department of Transportation final grant review performed in August 2014, unused grant funding from the State's award was moved to allow \$2,676 of additional costs to be grant reimbursable.
- (c) Contract LA-8111 includes \$883 originally incurred in 2013, which became reimbursable through a supplemental agreement executed October 2014.

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(d) Contract LA-8112 includes \$16,067 originally incurred in 2013, which became reimbursable through a supplemental agreement executed March 2015.

(e) Contract LA-8113 includes \$4,090 originally incurred in 2013, which became reimbursable through a supplemental agreement executed March 2015.

The expenditures incurred in 2013 that did not become reimbursable until 2014 have been included in the expenditure totals reported on the 2014 Schedule of Expenditures of Federal Awards.

NOTE 7 - MEDICAL ASSISTANCE PROGRAM

Reimbursement provided by contract #1166-35255 is determined by an in-depth billing process using data from the entire region. As a result, the billings are often delayed while the data is being compiled and reviewed. The amount reported on the 2014 Schedule of Expenditures of Federal Awards for contract #1166-35255 is based on data occurring during the first and second quarters of 2013. Due to the length of time needed to prepare the billing information, the amount of expenditures associated with the first and second quarters of 2013 were not determined in time to be included in the 2013 Financial Statements.

NOTE 8 - INDIRECT COST RATE

(a) The amount expended for "Schools and Roads Grants to States (CFDA 10.665) includes \$1,631 from Contract Number 12-PA11060300-017 claimed as an indirect cost recovery using an indirect cost rate of 7.87% as approved for 2014 by the Board of County Commissioners on January 6, 2014 through Resolution #14-005.

(b) The amount expended for "Child Support Enforcement" (CFDA 93.563) includes \$1,925 from Contract Number 0763-15018 and \$20,470 from Contract Number 2110-81382 claimed as an indirect cost recovery using an indirect cost rate of 7.87% as approved for 2014 by the Board of County Commissioners on January 6, 2014 through Resolution #14-005.

NOTE 9 - AMOUNTS AWARDED TO SUBRECIPIENTS

(a) Included in the total amount expended for "Community Development Block Grants" (CFDA number 14.228) is \$72,012 from Contract Number 13-65400-009 and \$48,002 from Contract Number 14-65400-010 that was passed through to subrecipients that administered their own projects.

(b) Included in the total amount expended for "Continuum of Care Program" (CFDA number 14.267) is \$38,397 from Contract Number WA0091L0T011205 and \$74,615 from Contract Number WA0091L0T011306 that was passed through to subrecipients that administered their own projects.

(c) Included in the total amount expended for "Violence Against Women Formula Grants" (CFDA number 16.588) is \$2,334 from Contract Number F13-31103-050 that was passed through to subrecipients that administered their own projects.

(d) Included in the total amount expended for "Substance Abuse and Mental Health Services_Projects of Regional and National Significance" (CFDA number 93.243) is \$1,656 from Contract Number 1363-90022 that was passed through to subrecipients that administered their own projects.

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(e) Included in the total amount expended for "Prevention/Treatment of Substance Abuse" (CFDA number 93.959) is \$46,065 from Contract Number 1163-27316 that was passed through to subrecipients that administered their own projects.

(f) Included in the total amount expended for "High Intensity Drug Trafficking Areas Program" (CFDA number 95.001) is \$6,000 from Contract Number 9003000077 that was passed through to subrecipients that administered their own projects.

NOTE 10 – UNDER-REPORTED 2013 EXPENDITURES

An amount of \$857, which was expended in 2013 under CFDA 97.042 "Emergency Management Performance Grants" Contract Number E14-170, was erroneously omitted from the 2013 Schedule of Expenditures of Federal Awards.

The 2013 expenditures were not included in the expenditure amounts reported on the 2014 Schedule of Expenditures of Federal Awards.